



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

**Legislative Analysis**

**Intergovernmental, Recreation and Cultural  
Affairs Committee**

Wednesday, March 9, 2005

9:30 AM

Commission Chamber

Charles Anderson, CPA  
Commission Auditor

111 NW First Street, Suite 250  
Miami, Florida 33128  
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## LEGISLATIVE ANALYSIS

### *ITEM 2(E) RESOLUTION AUTHORIZING PROVISION OF IN-KIND SERVICES FOR THE AMERICAN CANCER SOCIETY'S RELAY FOR LIFE EVENTS.*

Commissioner Katy Sorenson

### *ITEM 2(H) RESOLUTION RETROACTIVELY AUTHORIZING IN-KIND SERVICES FOR THE WORLD MARDI GRAS EVENT.*

Commissioner Bruno A. Barreiro

## I. SUMMARY

- *Item 2(E)* if passed will approve the use of \$11,500 to be funded from the Countywide In-Kind Reserve Fund for the American Cancer Society's Relay for Life Events taking place in Homestead on April 16-17, 2005 and in Cutler Ridge on June 17-18, 2005.
- *Item 2 (H)* if passed will retroactively approve the use of \$3,032 to be funded from the Countywide In-Kind Reserve Fund for the World Mardi Gras event that took place on February 12, 2005.

## II. PRESENT SITUATION

The current balance in the Countywide In-Kind Reserve was unavailable at time of print.

## III. POLICY IMPLICATIONS

None.

## IV. ECONOMIC IMPACT

Item	Requesting Organization	Event	Countywide In-Kind Reserve
Item 2(E)	American Cancer Society	American Cancer Society's Relay for Life	\$11,500
Item 2(H)	Haitian American Foundation	World Mardi Gras	\$3,032

## V. COMMENTS AND QUESTIONS

- Item 2(H) is retroactive.

**LEGISLATIVE ANALYSIS**

*RESOLUTION URGING THE FLORIDA LEGISLATURE TO FREEZE THE DISTRICT COST DIFFERENTIAL (DCD) AT THE CURRENT LEVEL UNTIL SUCH TIME THAT A NEW AND EQUITABLE CALCULATION FOR DCD MAY BE DEvised BY A QUALIFIED, UNBIASED THIRD PARTY*

Commissioner Katy Sorenson

**I. SUMMARY**

This resolution asks that the Florida Legislature freeze the educational funding formula, known as the District Cost Differential (DCD), at the current level until further studies are done to determine a more equitable distribution formula.

**II. PRESENT SITUATION**

During the 2004 Legislative Session, the Florida Legislature passed a law recalculating the DCD formula utilized to distribute funding to each of Florida's 67 Public School Districts.

The previous formula was designed to assist teachers in what are considered "Urban Counties" deal with higher costs associated with housing, commuting costs, insurance, etc...

The Legislative leadership in 2004 however, felt that the DCD benefited educators in Urban Counties at the expense of educators in Rural Counties. Opponents of the "Old DCD" utilized a report developed by economists at the University of Florida that contended the costs associated with Urban Counties were overstated.

Never the less, a new DCD formula was passed and Miami-Dade County Public Schools stood to lose approximately \$26 million for FY 2004-2005. This impact was offset somewhat by a \$14 million "one time fix" for FY 2004-2005, resulting in a first year negative impact of approximately \$12.5 million.

The negative impact of the "New DCD" however is expected to increase sharply in subsequent Fiscal Years.

Subsequent to the passage of the "New DCD", a lawsuit was filed on behalf of Miami-Dade County in order to block the new funding formula. To date however, this lawsuit has not resulted in a freezing of the new formula.

With the 2005 Legislative Session Scheduled to begin on March 8<sup>th</sup>, many of the Counties negatively impacted by the "New DCD", including Miami-Dade County, have vowed a united effort to restore what they believe to be an equitable formula.

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### **III. POLICY CHANGE AND IMPLICATION**

This resolution would memorialize Miami-Dade County's effort to seek an alternative to the DCD formula which was passed in 2005.

### **IV. ECONOMIC IMPACT**

The current year estimated impact of \$26 million was offset by a \$14 million "one-time-fix" resulting in a negative impact for FY 2004-2005 of approximately \$12 million.

If the formula was frozen, as requested in this resolution, the negative impact to Miami-Dade County for FY 2005-2006 would be approximately \$26 million vs. a possible \$58 million if the formula is not frozen.

### **V. COMMENTS AND QUESTIONS**

Last year, this issue was largely driven by the leadership in both the Senate and House of Representatives who represented rural counties, Duval and Hernando respectively, who would benefit from the "New DCD".

For the 2005 Legislative Session, the leaders of both chambers represent rural communities, Bay and Hillsborough counties, which benefit from the "New DCD"

Approximately 35% of the Senators and Representatives represent areas that were adversely affected by the new DCD formula.

Attachment 1

## **SOUTH FLORIDA LOSES FUNDS FOR SCHOOLS**

The Miami Herald

April 28, 2004

Author: MARY ELLEN KLAS AND GARY FINEOUT, meklas@herald.com

**Estimated printed pages: 5**

South Florida lawmakers lost their fight Tuesday to stop a plan to strip millions of dollars from Miami-Dade and Broward schools, as legislative leaders moved ahead with the proposal to end a standoff on the state's \$58 billion budget.

The budget accord put lawmakers back on track to finish their work by the Friday end-of-session deadline, but it also set the stage for a potential lawsuit from Miami-Dade and Broward school districts, which will lose a total of \$35 million in the 2004-05 school year and as much as \$120 million over the next three years.

Both school districts will receive an increase over last year's budget, but the loss of the extra money for higher living costs gives the schools less money for rising insurance costs, utilities and a pay raise for teachers.

That means Miami-Dade schools will get about \$12.5 million less and Broward about \$3.5 million less in the next school year than they otherwise would have received.

But the cushion offers only a one-year fix, while the decision to overhaul the state's school funding formula could reverberate for years to come.

"It's like getting a good steak dinner before you're executed," said Rep. Dan Gelber, a Miami Beach Democrat.

The agreement ends two months of wrangling over the funding formula and two days of stalled budget talks that threatened to push this year's legislative session into overtime.

"I am happy to report that the eagle has landed," Senate President Jim King told the Senate.

The budget accord won praise from Gov. Jeb Bush, who privately pleaded with House and Senate leaders by phone Monday to find a compromise and avoid another bitter fight like last year's that left tempers frayed and the public disapproving.

"It always looks bad when you can't finish a budget," Bush said. "But they did their job. And they did it right."

The budget compromise will give \$14 million to Miami Dade schools and \$4 million to Broward to offset the first-year cuts, using money that would have gone to a sales tax holiday and gas-tax break under earlier versions of the spending plan.

### **'CONSENSUS PRODUCT'**

"I think it was a great consensus product we came up with," Byrd said.

Behind the budget deal was a series of trades: King won his long-sought attempt to revamp the school funding formula, and Byrd won Senate agreement to consider his plan to freeze an unpopular phone rate hike, as well as the two tax cuts and a 5 percent pay raise for corrections guards and highway patrol officers.

But the budget harmony struck a sour note with South Florida legislators, whose districts are already struggling to meet requirements for class-size limits and to recruit quality

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teachers.

"How can I go home and say, hey, this is a great budget?" said Rep. Ron Greenstein, a Coconut Creek Democrat, who added that the decision on school funding cemented plans by House Democrats to vote against the final budget Friday.

The Miami-Dade school district has already slashed tens of millions from its budget in the past three years, and this new round could push the first real cuts into the classroom, Superintendent Merrett Stierheim said.

### BUREAUCRACY CUT

"We've cut the devil out of the whole bureaucracy," Stierheim said. "I don't see how the administrative side of the house can be cut."

Broward schools comptroller Ben Leong said the district will "have to wait until the dust settles before we what to do." But, he conceded, "This is going to hurt."

Some South Florida Republicans in the Legislature were sanguine about the cuts, arguing that while the revised budget is a setback, legislators can return to revise it in the future.

"Every year the Legislature comes up here and we change stuff," said Sen. Alex Villalobos, a Miami Republican. "The reality is this formula has always been tweaked every year and it will be tweaked again."

### KEY NEGOTIATORS

Rep. Ralph Arza, a Miami Republican who was one of the key budget negotiators in the House, insisted that House members had prevailed in their battle, since the damage done by the Senate plan was softened by the extra money. He predicted that lawmakers may be able to reverse next year what happened Tuesday.

"We would be in a greater position next year to do it," he said.

King warned, however, that the school funding formula the Senate passed and "sent firmly forward" will be the formula "of the land forever."

Sen. Rudy Garcia, a Hialeah Republican, said the school districts in Miami-Dade, Broward and Palm Beach will likely sue to block the plan. He said the current incarnation of the funding formula has withstood a state Supreme Court challenge, and would prevail if a suit reached the high court.

"This is offensive," Garcia said. "This year we're OK. Next year, this kills us."

At the heart of the legislative war is an arcane funding formula for public schools that would have steered \$212 million in the next year to six districts - Miami-Dade, Broward, Monroe, Palm Beach, Collier and Pinellas - to compensate them for their higher costs of living. Changing the formula has been a personal goal for King, a Jacksonville Republican who believes it has hurt his home county, Duval.

The formula is currently calculated by relying on a price survey that looks at everything from housing to hamburgers.

But University of Florida economists did a study for the Senate that contends the state overestimates the cost of living in some areas because it does not reflect that many people are happy to pay higher prices because they live in a more desirable area.

In a rare appeal to the media from the podium, King defended the work of South Florida lawmakers whom he said fought valiantly.

"No one has fought harder on those issues than especially some of the South Florida Cubans who are Republicans," he said. He told Garcia that in 17 years fighting over the

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issue, "this is the first time I have ever won."

He added: "I hope truly those folks in south Florida understand none of us bear malice."

The deal over the school funding formula brings to a close two weeks of negotiations over the state spending plan. The final budget includes a modest increase in per-student school spending at public schools - 4.5 percent. It raises university tuition 7.5 percent and community college tuition 5 percent. It includes \$120 million in water cleanup projects, among them millions for projects in South Florida and \$300 million for land conservation.

Lawmakers ultimately rejected steep cuts in health care programs proposed by the Senate a month ago, but lawmakers refused to spend more than \$1 million on the state's lauded anti-tobacco program, that Bush requested.

The budget also requires counties to pick up the tab to detain juveniles awaiting trial, a move that will cost \$90 a million a year statewide, including \$11.7 million for Miami-Dade County and \$6 million for Broward County.

### EFFECTS OF NEW FUNDING FORMULA

A change in the state's "**district cost differential**," or DCD, means that Miami-Dade, Broward and four other counties will receive less money over the next three years. The DCD gives additional money to urban counties to offset higher living costs.

The budget deal approved Tuesday, however, also includes money for those counties in the next year to lessen the impact of the cuts.

#### **Miami-Dade school district**

- \* DCD funds it would normally receive in 2004-05: \$91 million

- \* DCD money in new state budget:

\$64.3 million

- \* Additional money to soften impact:

\$14.2 million

#### **Broward school district**

- \* DCD money it would normally receive:

\$58 million

- \* DCD funds in new budget: \$50.3 million

- \* Additional money to soften the impact:

\$4.4 million

**LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT**

*RESOLUTION DECLARING THE ACQUISITION OF A .16 ACRE PARCEL OF LAND LOCATED AT SW 219<sup>TH</sup> STREET AND SW 123<sup>RD</sup> STREET TO BE A PUBLIC NECESSITY AND AUTHORIZING THE COUNTY ATTORNEY TO FILE EMINENT DOMAIN PROCEEDINGS FOLIO #30-6912-008-0760*

General Services Department

**I. SUMMARY**

This resolution would deem a parcel of property located at SW 219<sup>th</sup> Street and SW 123<sup>rd</sup> Avenue a public necessity, and authorize the County Manager to file eminent domain proceedings. The land sits adjacent to Sharman Park, which is slated to expansion, and all attempts to reach a settlement with the current landowners have failed.

**II. PRESENT SITUATION**

Miami-Dade County has made several attempts to acquire the parcel of land in question in an effort to facilitate redevelopment of Sharman Park. Three offers have been made to acquire this land, which was purchased for \$3,956.72 in 1996. All of the offers have been above the appraised value of the land, and the final two offers correlated with the owners' requested sale price. The owners have yet to respond to the final \$13,600 offer to buy the parcel of land.

Sharman Park has a land deficiency of 12 acres, based on the CDMP's park land Level of Service standard of 2.75 acres per 1,000 residents.

**III. POLICY CHANGE AND IMPLICATION**

The county has declared eminent domain from time to time to claim various properties around the county for public works projects. It is not known how many times the County has used eminent domain to acquire property that would be eventually converted into a park.

**IV. ECONOMIC IMPACT**

The County will be responsible for paying for the land at a price established by a jury trial.

**V. COMMENTS AND QUESTIONS**

As of this printing the following questions remained unanswered by staff:

- 1) How many times has the county used Eminent Domain to acquire property over the last five years?



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- 2) Has the county ever used eminent domain to secure property that would later be used for a county park? If so when, for what park?

**LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT**

*RESOLUTION AWARDING SAFE NEIGHBORHOOD PARKS SPECIFIED/PER  
CAPITA FUNDS.*

Park and Recreation Department

**I. SUMMARY**

This ordinance would allocate \$58,530,000 in Safe Neighborhood Parks (SNP) Bond funds. These allocations will be funded from the sixth and final bond series of the SNP Bond program.

**II. PRESENT SITUATION**

The Safe Neighborhood Parks (SNP) Bond Ordinance provides for the use of \$200,000,000 in bond proceeds to be used for improvements to and acquisition of neighborhood and regional parks, beaches, natural areas, recreation and heritage facilities. The SNP Bond Ordinance was approved by voters in 1996. To date, bonds totaling \$141,470,000 have been issued. This resolution would close out the SNP program by allocating funds from the final series of bonds in the amount of \$58,530,000.

**III. POLICY CHANGE AND IMPLICATION**

The Safe Neighborhood Parks Citizens' Oversight Committee recommends allocating proceeds from the sixth and final series of bonds in the following manner: \$28,157,096 to regional parks; \$23,124,770 to UMSA and 4,319,030 to municipalities in specified allocations; and \$40,297 to municipalities and \$2,888,807 to UMSA for per capita allocations.

**IV. ECONOMIC IMPACT**

In total, \$58,530,000 of SNP bond proceeds will be allocated.

**V. COMMENTS AND QUESTIONS**

A resolution authorizing the \$58,530,000 bond sale will come before the Board of County Commissioners in the near future.

**LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT**

***RESOLUTION AWARDING SAFE NEIGHBORHOOD PARKS RECAPTURED FUNDS***

Park and Recreation Department

**I. SUMMARY**

This ordinance would allocate \$1,935,219 in Safe Neighborhood Parks Recaptured funds to three public agencies and one private not-for-profit organization, and authorizes the County Manager to negotiate and execute grant agreements with said agencies.

**II. PRESENT SITUATION**

The Safe Neighborhood Parks Bond Ordinance provides for the use of recaptured interest earned and proceeds of the Safe Neighborhood Parks Bond Program to be used the acquisition of park, open space, and other projects.

**III. POLICY CHANGE AND IMPLICATION**

The Safe Neighborhood Parks Citizens' Oversight Committee recommends allocating recaptured interest earnings and proceeds in the following manner: \$682,799 to the City of Miami Beach for the beach and boardwalk and \$1,011,456 for the North Shore Open Space Park; \$89,309 to the City of North Miami Beach for the Taylor Park Youth Facility; \$65,040 to the Town of Medley for the Tobie Wilson Park; and \$86,615 to the Richmond-Perrine Optimist Club for a Youth Activity Center.

**IV. ECONOMIC IMPACT**

In total, \$1,935,219 of recaptured interest earnings and proceeds will be allocated.

**V. COMMENTS AND QUESTIONS**

None.